26 AUGUST 2026

BUY (Unchanged)

Change in Numbers

TP: Bt 21.00 (From: Bt 18.00)

Upside : 30.4%

Supalai Public Co Ltd (SPALI TB)

Resilient earnings

We reaffirm our BUY rating on SPALI for its high dividend yields of 7.7/8.4% in 2026-27F and resilient earnings amid the property market trough. SPALI's 2Q26 earnings also beat our expectations, and we boost our estimates by 10-11% p.a. for 2026-28F.

RATA LIMSUTHIWANPOOM
662-779-9119
rata.lim@ttbwealth.co.th

Lifting earnings; reaffirming BUY

We reaffirm our BUY call on SPALI. ***First***, at the bottom of the industry cycle this year, we estimate attractive dividend yields of 7.7/8.4% in 2026-27F, based on a payout assumption of 57% vs. 59% in 2025. ***Second***, 2Q26 earnings were stronger than we'd expected due to higher sales and Australia equity income, and we boost our estimates by 10-11% p.a. in 2026-28F. ***Third***, SPALI's presales momentum is improving, and we expect 6% h-h growth in 2H26F with good take-up of its newly launched condo. ***Lastly,*** we believe SPALI's earnings already reached a trough in 2025 (-35% decline) and expect a 6/9/16% turnaround in 2026-28F, driven by growing equity income, continued market share gains, and an economic recovery. Due to our earnings upgrades and rolling over to a 2027F base year, our DCF-based 12-month TP rises to Bt21/share (from Bt18 previously).

Improving presales momentum

SPALI suffered 11/7/2% presales contractions in 2023-25. We estimate its presales to stop declining and grow 1/7/7% in 2026-28F. In 1H26, SPALI's presales grew 9% y-y to Bt13bn, vs. flat aggregate presales among the top six developers. Although we expect a 5% y-y contraction in 2H26F, we believe the market will see it as an improvement in momentum given 6% h-h growth. Demand in 2H26F is on the mend across segments due to easing Iran war uncertainties. SPALI plans to launch four condos in 2H26. The first project, the Bt1bn Supalai Kram-Srisuthon project, achieved 60% gross take-up at launch in 3Q26. SPALI foresees decent condo demand due to sharply lower new supply and a supply gap in the affordable Bt70-90k/sqm segment, which is where it is focusing.

Earnings inflection point in 2026F

SPALI's earnings have declined from its 2022 peak. We now expect a pivot toward 6/9/16% growth in 2026-28F. The driver this year is mainly stronger Australian equity income, while drivers in 2027-28F earnings are improving presales and transfers from an economic recovery and margin expansion due to less margin pressure from inventory destocking by peers. We estimate gross margins of 32/33/34% in 2026-28F.

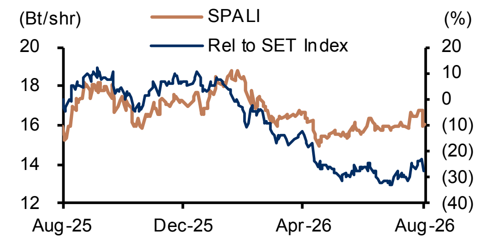
Growing equity income from Australia

SPALI has invested in Australia since 2014. We expect equity income to grow 66/5/5/5% in 2026-29F, driven by new projects acquired in 2024. Its Bt127bn development pipeline provides 8.5 years of sales visibility. 1H26 presales in Australia reached 62% of the company's Bt15bn 2026 target. We expect equity income to account for 29% of earnings in 2026F.

COMPANY VALUATION

Y/E Dec (Bt m)	2025A	2026F	2027F	2028F
Sales	24,124	25,712	25,720	28,589
Net profit	4,015	4,253	4,618	5,376
Consensus NP	—	4,480	4,871	5,016
Diff frm cons (%)	—	*(5.1)*	*(5.2)*	*7.2*
Norm profit	4,015	4,253	4,618	5,376
Prev. Norm profit	—	3,876	4,176	4,880
Chg frm prev (%)	—	*9.7*	*10.6*	*10.2*
Norm EPS (Bt)	2.06	2.18	2.36	2.75
Norm EPS grw (%)	(35.1)	5.9	8.6	16.4
Norm PE (x)	7.8	7.4	6.8	5.8
EV/EBITDA (x)	14.0	15.3	13.4	10.7
P/BV (x)	0.6	0.6	0.5	0.5
Div yield (%)	7.5	7.7	8.4	9.4
ROE (%)	7.5	7.8	8.1	9.1
Net D/E (%)	62.4	59.8	51.8	44.8

PRICE PERFORMANCE



COMPANY INFORMATION

Price *as of* 26-Aug-26 (Bt)	16.10
Market Cap (US$ m)	942.6
Listed Shares (m shares)	1,953.1
Free Float (%)	54.5
Avg. Daily Turnover (US$ m)	2.3
12M Price H/L (Bt)	18.80/13.50
Sector	Property
Major Shareholder	Tangmatitham Family 40.82%

Sources: Bloomberg, Company data, ttb wealth estimates

Lifting earnings; reaffirming BUY

We reaffirm our BUY rating on Supalai Pcl (SPALI TB) for four reasons:

7.7/8.4% dividend yields in 2026-27F

First, we expect SPALI to deliver attractive 7.7/8.4% dividend yields in 2026-27F (based on a payout assumption of 57% vs. 59% in 2025) at what we believe is the trough of Thailand's residential property cycle in 2026F.

Raising our TP by 17% to Bt21/share

Second, we raise our 2026-28F earnings estimates by 10-11% following SPALI's strong 2Q26 results, with earnings up 49% y-y, driven by stronger-than-expected sales and Australia equity income. Our earnings upgrades and the rollover of our valuation base year to 2027F lift our DCF-based 12-month TP to Bt21/share from Bt18.

Presales improving

Third, SPALI's presales momentum is improving, and we expect 6% h-h growth in 2H26F with good take-up of its newly launched condo. Amid a prolonged industry downturn, homebuyers have increasingly favored financially strong developers with proven execution and reliable project delivery. SPALI's cost leadership, conservative financial management, and a low net D/E ratio of 0.6x (2Q26) have strengthened its competitive position.

EPS growth resuming at 6/9/16% in 2026-28F

Lastly, we expect 2025 to mark SPALI's bottom earnings year with an EPS decline of -35%, and we then estimate 6/9/16% EPS growth in 2026-28F, driven by growing equity income, continued market share gains, and an economic recovery.

Ex 1: Key Assumption Changes

	2025	2026F	2027F	2028F
Property sales (Bt m)				
- New	23,714	25,266	25,234	28,061
- Old		24,179	24,796	27,621
Change (%)		*4.5*	*1.8*	*1.6*
Equity income (Bt m)				
- New	*730*	*1,214*	*1,275*	*1,338*
- Old		*766.9*	*805.3*	*845.5*
Change (%)		*58.3*	*58.3*	*58.3*
Normalized profit (Bt m)				
- New	4,015	4,253	4,618	5,376
- Old		3,876	4,176	4,880
Change (%)		*9.7*	*10.6*	*10.2*

Sources: Company data, ttb wealth estimates

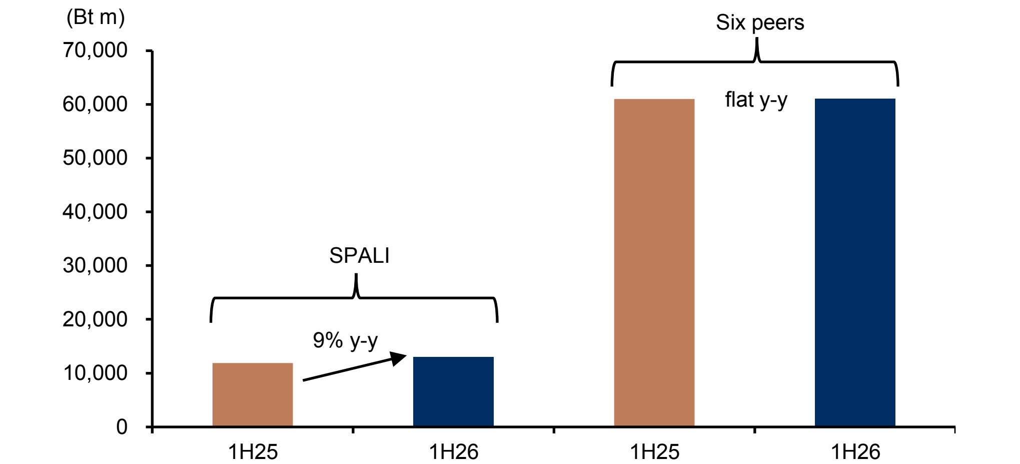
Improving presales momentum

Expecting 2H26F presales growth of 6% h-h

SPALI achieved Bt13bn in presales in 1H26, up 9% y-y vs. broadly flat aggregate presales growth among the other top six developers. The strong performance was supported by the Bt3bn Supalai Loft Thaphra-Interchange condo launched in January, which was 54% sold as of June 2026. While the low base following the earthquake in 2Q25 boosted industry-wide y-y growth, aggregate presales for the other top six developers remained flat, highlighting SPALI's stronger underlying presales momentum. We expect 2H26F presales of Bt14bn, growing 6% h-h but declining 5% y-y due to a high base from the sold-out Bt2.1bn Supalai Elite Sukhumvit 39 project in 3Q25. Demand is improving across segments as uncertainties over the Iran war ease. The planned launch of Bt5bn worth of three condo projects should support 2H26F presales, including the Bt1bn Supalai Kram-Srisuthon project, which achieved 60% gross take-up at launch in July 2026, the Bt1.03bn Suapalai

Sense Pattaya in 3Q26, and two additional condo projects planned for 4Q26, including a project in Chiang Mai. SPALI foresees decent condo demand in the affordable Bt70-90k/sqm segment, where sharply lower new supply has created a supply gap. We project its total launch value to grow 0/5/5% in 2026-28F, with the condo mix increasing to 27/29/32%, based on our estimates, from 19% in 2025, supporting presales growth of 1/7/7% to Bt27/Bt29/Bt31bn in 2026-28F and marking the end of the 11/7/2% contraction in 2023-25.

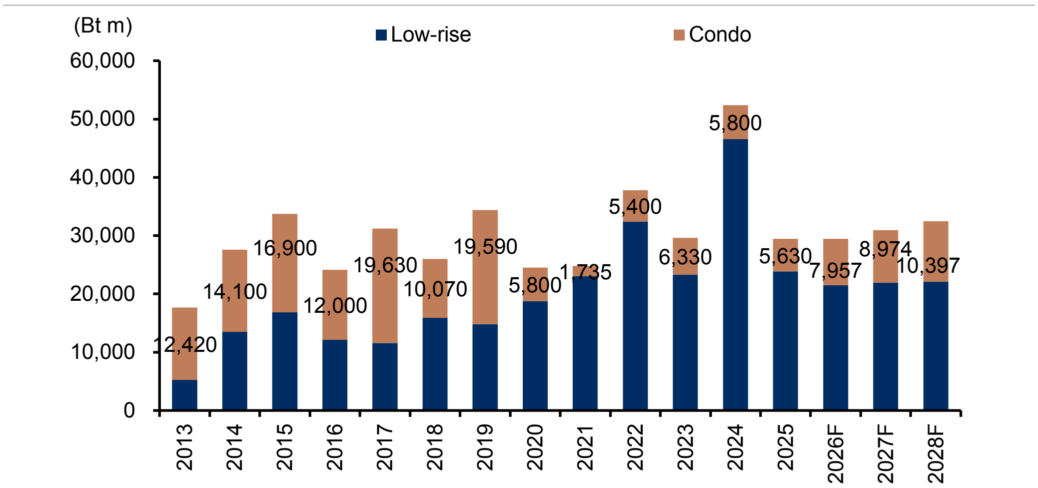
Ex 2: SPALI Presales Grew 9% y-y Vs. The Flat Aggregate Of Its Top Six Peers



Source: Company data

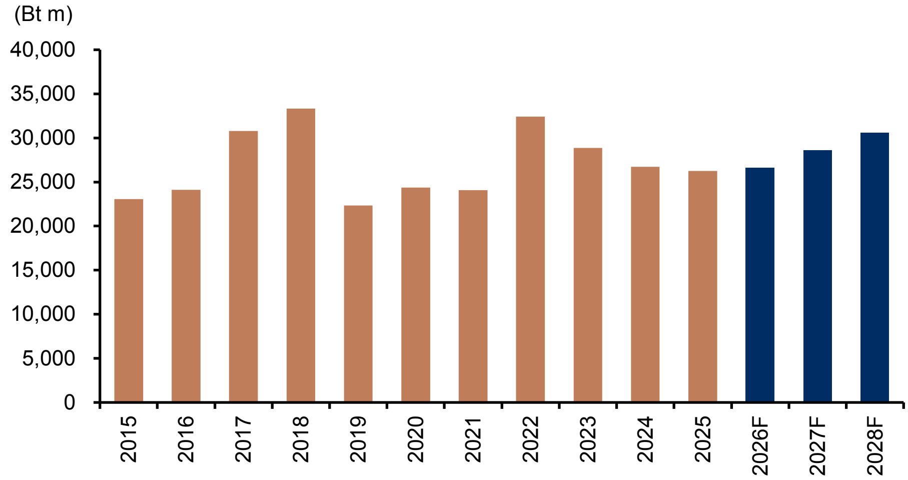
Note: Six peers include AP, SIRI, LH, QH, PSH, LPN

Ex 3: Project Launches



Sources: Company data, ttb wealth estimates

Ex 4: Yearly Presales



Sources: Company data, ttb wealth estimates

Ex 5: New Condo Launches Announced For 9M26F

Project	Loft Thaphra-Interchange	Kram Srisunthon	Sense Pattaya
			
Value	Bt3,000m	Bt1,000m	Bt1,030m
Unit	913	444	504
Floors	31-32	7-9	8
Size	33.0-67.5 sqm	30.0-52.5 sqm	31.5-65.0 sqm
Price	Starts at Bt2.15m	Starts at Bt1.79m	Starts at Bt1.39m
Completion	2029	2028	n.a.
Presales	Jan 26	Jul-26	3Q26

Sources: Company data, ttb wealth

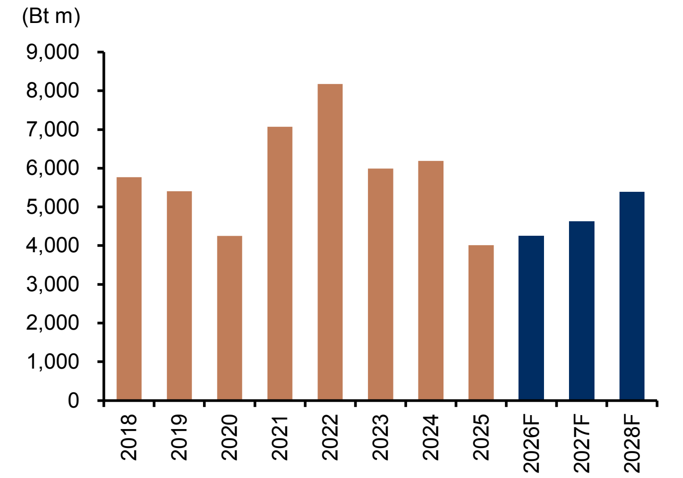
Earnings inflection point in 2026F

Earnings pivoting to 6/9/16% growth

SPALI's earnings have declined sharply from its 2022 peak, but we expect net profit to resume growth in 2026F, rising 6% y-y, mainly driven by stronger Australian equity income. Operating profit, largely from its Thailand residential property business, remains under pressure in 2026F, declining 9% y-y, but we expect an inflection in 2H26F, with the y-y decline narrowing to 6% in 2H26F from 13% in 1H26. The improvement should be driven by higher revenue and a margin recovery, with gross margin rising to 33% from 31% in 1H26 as three condo projects worth Bt6bn are completed and largely transferred, compared with only Bt1.2bn of condo completions in 2025. Given condo margins of around 40%, the higher condo mix should lift overall margins, although 2H26F gross margin will likely remain below 2H25 as price promotions remain elevated for low-rise products.

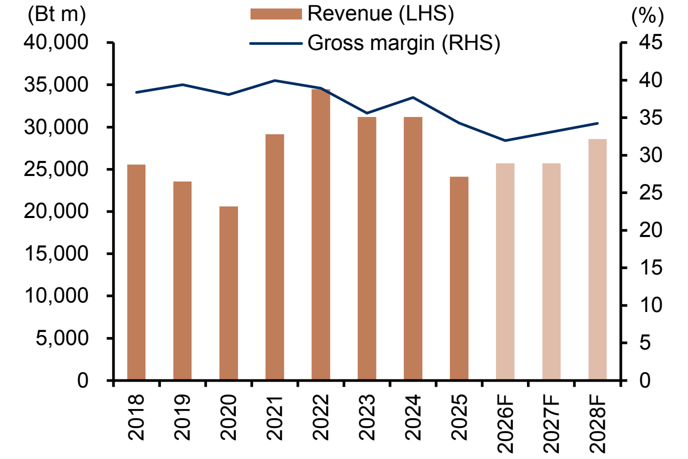
We expect the recovery to broaden from 2027F, as peers work through excess inventories and an economic recovery strengthens demand. Easing competitive pressure should reduce the need for aggressive promotions and support further margin expansion. Improving presales and transfers should drive earnings growth, while margin expansion should support earnings despite broadly flat revenue in 2027F, driven by lower condo completions. In 2028F, a higher condo mix and stronger revenue growth should provide an additional boost. We estimate gross margin to recover to 32/33/34% in 2026-28F, driving EPS growth of 6/9/16%.

Ex 6: Profit Forecasts



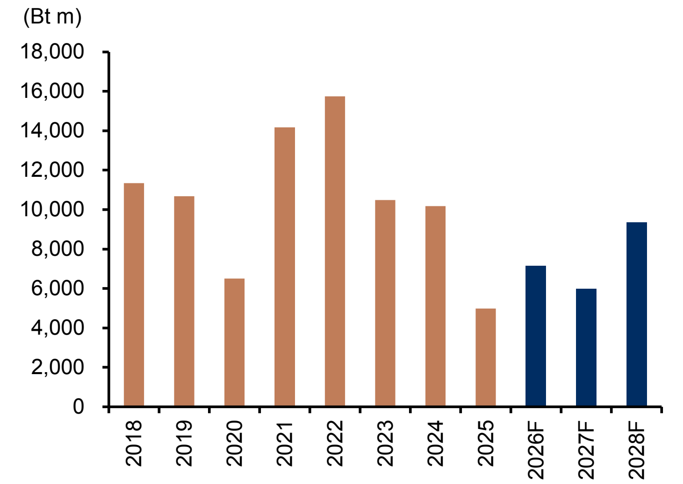
Sources: Company data, ttb wealth estimates

Ex 7: Revenue And Gross Margin



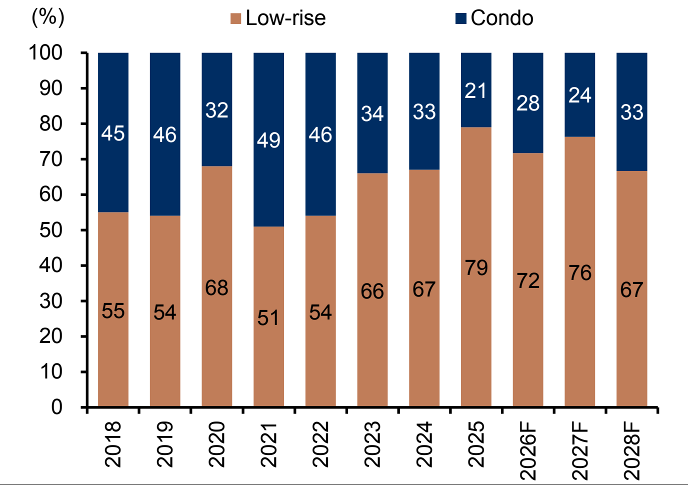
Sources: Company data, ttb wealth estimates

Ex 8: Condominium Revenues



Sources: Company data, ttb wealth estimates

Ex 9: Property Sales Mix



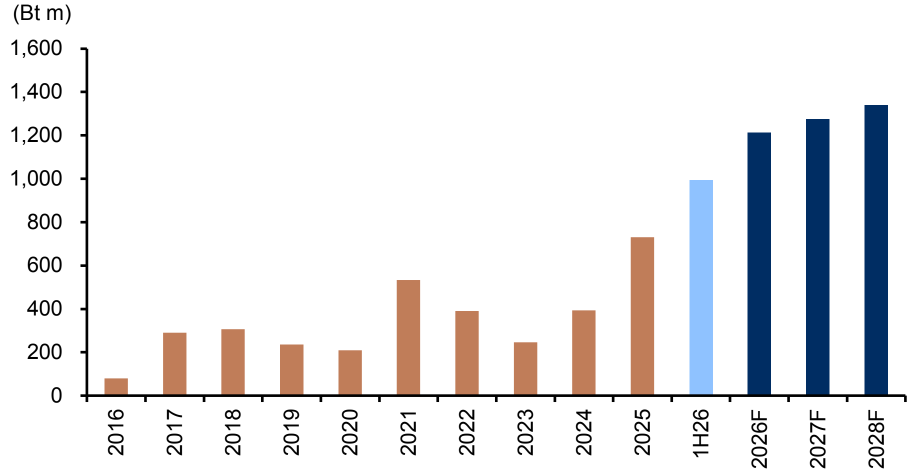
Sources: Company data, ttb wealth estimates

Growing equity income from Australia

Australia equity income provide a key earnings boost in 2026F

SPALI has invested in Australia since 2014, and we expect equity income to grow 66/5/5/5% in 2026-29F, driven by projects acquired in 2024. Its Bt127bn development pipeline provides 8.5 years of sales visibility. 1H26 presales reached 62% of the Bt15bn 2026 target, while JV revenue achieved 70% of the Bt10.5bn full-year target, supporting management's confidence in meeting its 2026 target. We expect equity income to account for 29% of earnings in 2026F.

Ex 10: Equity Income



Sources: Company data, ttb wealth estimates

Ex 11: 12-month DCF-based TP Calculation Using A Base Year Of 2027F

(Bt m)		2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F	2036F	2037F	Terminal value
EBITDA		4,622	5,516	6,433	7,080	7,848	8,497	9,013	9,489	9,924	10,360	10,813	
Free cash flow		4,554	3,910	3,369	5,056	5,511	4,630	5,332	10,239	3,893	4,183	7,685	96,683
PV of free cash flow		4,541	3,225	2,524	3,440	3,405	2,597	2,717	4,738	1,636	1,596	2,663	33,506
Risk-free rate (%)	2.5												
Market risk premium (%)	8.0												
Beta	1.1												
WACC (%)	10.1												
Terminal growth (%)	2.0												
Enterprise value – add investments	76,132												
Net debt (end 2026F)	33,912												
Minority interest	1,109												
Equity value	41,111												
# of shares (m)*	1,953												
Equity value/share (Bt)	**21.00**												

Sources: Company data, ttb wealth estimates
*We assume SPALI sells a total of 67m treasury shares by mid-2027F

Valuation Comparison

Ex 12: Valuation Comparison With Regional Peers

Name	BBG Code	Country	EPS growth 26F (%)	EPS growth 27F (%)	PE 26F (x)	PE 27F (x)	P/BV 26F (x)	P/BV 27F (x)	EV/EBITDA 26F (x)	EV/EBITDA 27F (x)	Div yield 26F (%)	Div yield 27F (%)
Country Garden Holdings	2007 HK	China	(4.8)	36.4	na	na	na	na	na	na	0.0	0.0
China Overseas Land & Invest	688 HK	Hong Kong	(14.9)	5.6	12.8	12.1	0.4	0.4	15.3	13.8	3.0	3.1
China Resources Land	1109 HK	Hong Kong	(3.4)	4.9	10.8	10.3	0.8	0.8	9.9	9.4	3.3	3.5
Hang Lung Properties	101 HK	Hong Kong	(7.0)	9.5	12.4	11.4	0.3	0.3	15.5	14.5	7.2	7.2
Henderson Land Development	12 HK	Hong Kong	8.6	10.4	17.2	15.5	0.4	0.4	23.9	21.3	4.3	4.3
Sun Hung Kai Properties	16 HK	Hong Kong	2.4	8.2	15.8	14.6	0.6	0.6	14.1	11.8	3.2	3.3
Sino Land	83 HK	Hong Kong	(10.8)	0.4	21.0	20.9	0.6	0.6	16.0	16.2	5.4	5.4
City Developments	CIT SP	Singapore	10.4	15.7	17.7	15.3	0.8	0.7	18.7	16.5	2.2	2.3
Asian Property Devt	AP TB *	Thailand	2.0	15.1	5.9	5.1	0.5	0.5	10.9	9.2	6.4	7.4
Land and Houses	LH TB *	Thailand	(2.2)	22.8	14.7	11.9	0.8	0.8	36.8	26.2	4.8	5.9
Quality Houses	QH TB *	Thailand	28.5	9.0	6.9	6.3	0.5	0.5	24.0	17.5	8.0	8.7
Sansiri	SIRI TB *	Thailand	1.7	9.4	6.6	6.0	0.5	0.5	26.9	23.6	7.7	8.3
Supalai	SPALI TB *	Thailand	5.9	8.6	7.4	6.8	0.6	0.5	15.3	13.4	7.7	8.4
L.P.N. Development Pcl	LPN TB	Thailand	(46.8)	60.0	31.8	19.9	0.2	0.2	24.6	22.4	5.0	5.1
Pruksa Holding Pcl	PSH TB	Thailand	(18.3)	11.0	19.2	17.3	0.2	0.2	13.5	12.5	4.0	4.8
Average			**(3.2)**	**15.1**	**14.3**	**12.4**	**0.5**	**0.5**	**18.9**	**16.3**	**4.8**	**5.2**

Sources: Bloomberg consensus, *ttb wealth estimates

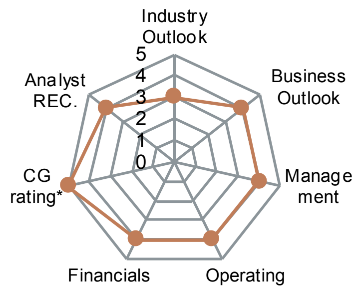
Based on 26 August 2026 closing prices

COMPANY DESCRIPTION

Supalai Pcl (SPALI) develops single-detached houses (SDH), townhouses (TH), and condominiums for sale. Additionally, the company owns and operates the Supalai Pasak Resort Hotel. It has six subsidiaries: Supalai Northeast Co Ltd, Phuket Estate Co Ltd, Haadyai Nakarin Co Ltd, Supalai Property Management Co Ltd, Supalai Philippines Incorporated, and Supalai Singapore Holding Pte Ltd. It holds 11-100% stakes in JVs/associates developing property projects in Australia.

Source: ttb wealth

COMPANY RATING



Rating Scale	
Excellent	**5**
Good	**4**
Fair	**3**
Weak	**2**
Very Weak	**1**
None	**0**

Source: ttb wealth; *CG Rating

TTB WEALTH'S SWOT ANALYSIS

S — Strength

- Operationally efficient and highly profitable due to in-house architects, proactive land purchases and the direct sourcing of raw materials.
- Cost-competitive.
- Diversified products.
- Financially strong with low gearing.

W — Weakness

- Not a strong product franchise.
- In expanding its products vertically to higher-end segments, we believe it needs to build up brand awareness.

O — Opportunity

- New segments of condominiums in inner Bangkok and housing projects upcountry and the high segment of SDH in Bangkok.
- Better economies of scale from higher volumes.

T — Threat

- Competition from both listed and non-listed developers.
- Land and building tax.

CONSENSUS COMPARISON

	Consensus	ttb wealth	Diff
Target price (Bt)	17.15	21.00	22%
Net profit 26F (Bt m)	4,480	4,253	-5%
Net profit 27F (Bt m)	4,871	4,618	-5%
Consensus REC	**BUY: 10**	**HOLD: 9**	**SELL: 2**

HOW ARE WE DIFFERENT FROM THE STREET?

- Our 2026-27F net profits are largely in line with the Bloomberg consensus estimates.
- Despite this, our DCF-based TP is 22% above the Street's, likely reflecting us having a more positive long-term earnings growth outlook.

Sources: Bloomberg consensus, ttb wealth estimates

RISKS TO OUR INVESTMENT CASE

- A weaker-than-expected domestic economy, which would impact housing demand and dampen purchasing power, is the key downside risk to our call.
- Backlog cancellations represent a secondary downside risk.

Source: ttb wealth

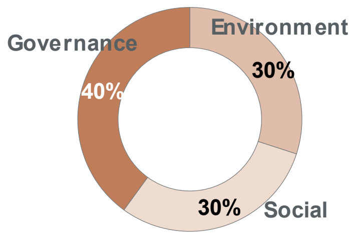
SPALI

ESG & Sustainability Report

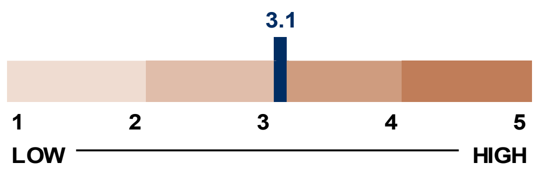
Supalai Public Co. Ltd.

Sector: Property & Cons | Property Development

ESG Weighting



ESG Rating



	SET ESG Index	SET ESG (BBB-AAA)	DJSI Index	ttb wealth ESG Rating (1.0-5.0)	MSCI (CCC-AAA)	ESG Book (0-100)	CG Rating (0-5)
SPALI	YES	AA	-	3.15	0	59.91	5.0

Sources: SETTRADE, SET ESG Index, SET ESG Rating, The Dow Jones Industrial Average (DJSI)
MSCI ESG Research LLC, ESG Book, Thai IOD (CG rating)
Note: Please see third party on “terms of use” toward the back of this report.

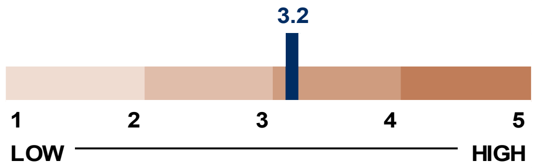
ESG Summary

- SPALI is one of the top three residential property developers by presales value. The company has built its positioning on cost efficiency, in-house design capabilities, and disciplined land acquisition, enabling competitive pricing. SPALI operates a diversified product portfolio across low-rise housing and condominium segments, with broad coverage in Bangkok and the provinces.
- Our ESG score for SPALI is decent at 3.2, with Social (S) and Environment (E) as stronger pillars than Governance (G).
- We assign SIRI a decent 3.2 S score, reflecting a decent core social performance, but constrained by limited supply chain ESG oversight and outcome-based Corporate Social Responsibility (CSR) disclosure.
- We also assign SIRI a decent 3.2 E score to reflect a well-established environmental framework across biodiversity, energy, and climate governance, but constrained by emissions reduction progress and limited project-level performance disclosure.
- SIRI’s G score is the weakest pillar at 3.1. While the company demonstrates solid committee-level oversight and clear operational governance mechanisms, the overall board composition and leadership structure remain below best-practice standards. The strongest area in the G pillar is business model and innovation, reflecting SPALI's sound product development capabilities and ability to adapt its portfolio to evolving market demand.

Sector: Property & Cons | Property Development

We assign SPALI an E score of 3.2, reflecting its well-established environmental management framework, particularly in biodiversity, energy management, and climate governance. However, those are weighed down by relatively modest progress in emissions reduction and limited project-level environmental performance disclosure.

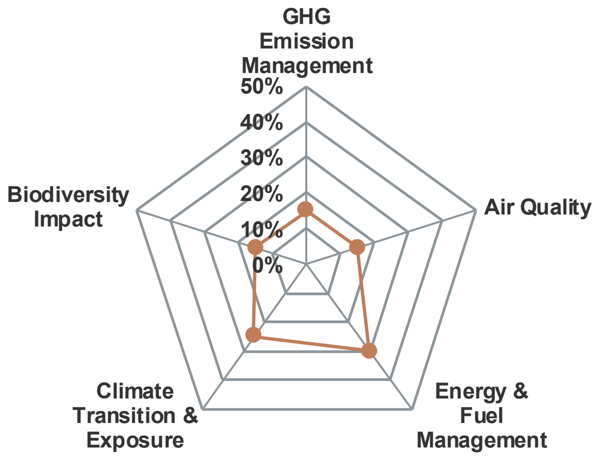
Environment (E) Rating



ENVIRONMENT	Our Comments

- **Air Quality**
- **Biodiversity Impact**
- **Climate Transition & Exposure**
- **Energy & Fuel Management**
- **GHG Emission Management**

SCALE WEIGHTING

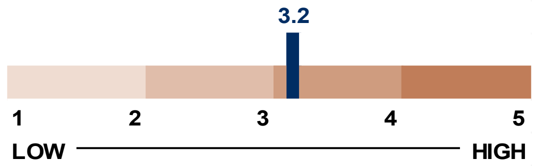


- We assign SPALI an E score of 3.2, slightly higher than the sector average of 3.1.
- Biodiversity management is one of SPALI's strong environmental pillars. The company demonstrates a mature biodiversity management system. In 2025, all projects met ≥5% green space targets and 100% biodiversity monitoring, with support from tree retention and habitat management practices across projects.
- Air quality management is structured, with dust control measures and continuous monitoring during construction phases. However, disclosure remains process-oriented, with limited reporting on quantified ambient air quality outcomes at the project level.
- SPALI demonstrates a structured, design-led energy management approach supported by green building principles, energy-efficient materials, and partial renewable integration (solar, EV, LED). However, corporate-level energy transition remains limited, with electricity purchases still flat y-y in 2025 (vs. its -15% target) and a renewable electricity share at 0%.
- SPALI's GHG management is structured and transparent, supported by ISO 14064-1 verified reporting. The company targets carbon neutrality by 2050 and a 40% reduction in Scope 1-2 emissions by 2030 (vs. 2024). While total emissions declined significantly from 143,980 tCO_2e in 2023 to 69,751 tCO_2e in 2025, the reduction was mainly driven by Scope 3 and efficiency improvements. Scope 1-2 emissions are only down 4% from the 2024 base, indicating that core operational decarbonization is still at an early stage. Scope 3 remains highly material for a residential developer and will be key to full value-chain decarbonization.
- SPALI has established a formal climate governance structure under its sustainability committee and integrates climate considerations into corporate policies and operations. The company has identified key physical climate risks such as flooding, heatwaves, and rising temperatures, while also recognizing climate-related opportunities through green building design and product development. However, despite clear targets, climate risk disclosure remains largely qualitative, with limited evidence of scenario analysis, stress testing, or quantified financial impacts of climate-related risks and opportunities.

Sources: ttb wealth, Company data

We assign a Social score of 3.2. SPALI demonstrates good policy coverage and consistent implementation across social dimensions. However, the score is constrained by relatively limited ESG oversight across its supply chain and limited disclosure of measurable long-term outcomes from community investment programs.

Social (S) Rating



SOCIAL

- **Access & Affordability**
- **Customer Welfare**
- **Diversity & Inclusion**
- **Fair Labor Practices**
- **Health, Safety & Well-being**
- **Human Rights & Community Relations**
- **Labor Relations**
- **Product Quality & Safety**
- **Social Supply Chain Management**

SCALE WEIGHTING

Our Comments

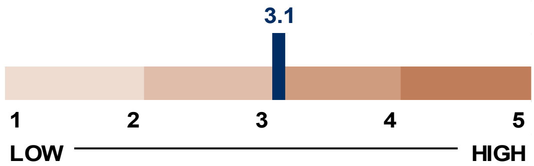
- We assign a decent 3.2 Social score to SPALI, on par with the sector average.
- Product positioning reflects a value-for-money strategy focused on affordability and functional design, supporting accessibility but resulting in relatively lower premium positioning in terms of perceived product quality.
- SPALI maintains a balanced workforce (50:50 male-to-female) and employs 18 persons with disabilities (1.2% of its workforce). The company invests in employee development, with average training hours increasing to 24 hours in 2025 from 20 hours in 2024, while offering comprehensive employee benefits.
- Taking into consideration the safety of contractors and construction workers, SPALI has standards to minimize construction risks. The company reported zero work-related fatalities and occupational illnesses in 2025, with a consolidated LTIFR of 0.90.
- SPALI monitors customer satisfaction through monthly surveys, achieving 9.35/10 in 2025, above its target and improving from 2024. Results are used for internal management review and improvement.
- SPALI demonstrates a robust human rights governance framework supported by internationally aligned policies, comprehensive HRDD covering 100% of its operations and Tier-1 suppliers, and established grievance mechanisms. The company reported zero significant human rights complaints and labour disputes over the past three years. However, disclosure regarding supplier audit findings and remediation outcomes remains limited.
- SPALI maintains structured supply chain management through ESG-based supplier screening, factory visits, contractor monitoring, and worker welfare initiatives. However, disclosure remains primarily process-focused, with limited quantitative metrics on supplier ESG performance and compliance outcomes.
- The company undertakes extensive CSR and community engagement initiatives. While outputs and participation levels are well documented (e.g., beneficiaries, cost savings, and project activities), the evidence of long-term social impact tracking remains limited.

Sources: ttb wealth, Company data

Sector: Property & Cons | Property Development

We assign a 3.1 G score to SPALI, which is lower than its E and S scores. This reflects a governance framework that is generally well-established and functional, with a relatively strong business model. The score, however, is constrained by structural limitations in board independence and diversity.

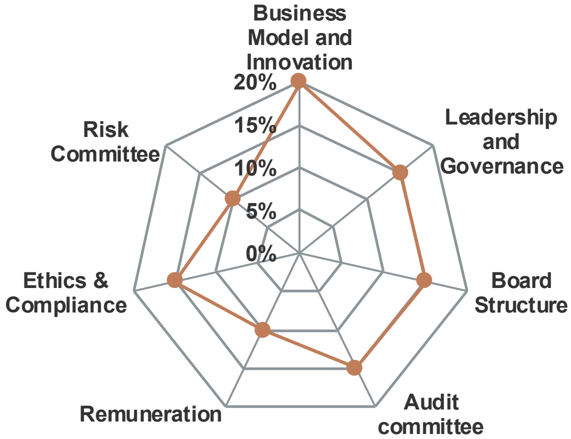
Governance (G) Rating



GOVERNANCE & SUSTAINABILITY

- **Audit committee**
- **Board Structure**
- **Business Model and Innovation**
- **Ethics & Compliance**
- **Leadership and Governance**
- **Remuneration**
- **Risk Committee**

SCALE WEIGHTING



Our Comments

- We assign a decent 3.1 G score to SPALI, which is lower than its E and S scores. The key drag on the score is its weak board structure.
- SPALI's board structure is not strong. The board chair is non-independent and is also an executive director, the company's founder, and the largest shareholder (41% combined family stake). The independent director ratio on its 10-member board is 40%, below half and below the best-practice ratio of two-thirds. In addition, the board lacks gender diversity, with nine directors being male.
- On the positive side, SPALI demonstrates strong governance and operational responsiveness, particularly in its ability to provide timely support to residents during incidents, supported by established customer service and after-sales management systems.
- SPALI also scores well for its business model and innovation, supported by broad external recognition across design, development quality, and sustainability awards in 2025 (including FIABCI, Asia Pacific Property Awards, and Business+ Product of the Year). Its continued product diversification also enhances demand adaptability across segments.
- SPALI has adequate governance oversight through an audit committee, a compensation committee, and a governance and sustainable development committee, with independent directors serving as committee chairs. The company also has a risk management committee; however, its chair is not independent.

Sources: ttb wealth, Company data

Earnings improving from 2026F

INCOME STATEMENT

FY ending Dec (Bt m)	2024A	2025A	2026F	2027F	2028F
Sales	31,194	24,124	25,712	25,720	28,589
Cost of sales	19,431	15,853	17,500	17,211	18,794
Gross profit	**11,763**	**8,271**	**8,212**	**8,509**	**9,795**
% gross margin	37.7%	34.3%	31.9%	33.1%	34.3%
Selling & administration expenses	4,302	3,804	4,140	4,089	4,488
Operating profit	**7,462**	**4,467**	**4,072**	**4,419**	**5,306**
% operating margin	23.9%	18.5%	15.8%	17.2%	18.6%
Depreciation & amortization	203	213	195	202	210
EBITDA	**7,665**	**4,680**	**4,267**	**4,622**	**5,516**
% EBITDA margin	24.6%	19.4%	16.6%	18.0%	19.3%
Non-operating income	790	648	648	648	648
Non-operating expenses	0	0	0	0	0
Interest expense	(709)	(725)	(600)	(540)	(494)
Pre-tax profit	**7,543**	**4,390**	**4,121**	**4,527**	**5,461**
Income tax	1,665	1,057	1,030	1,132	1,365
After-tax profit	**5,878**	**3,333**	**3,091**	**3,395**	**4,095**
% net margin	18.8%	13.8%	12.0%	13.2%	14.3%
Shares in affiliates' Earnings	394	730	1,214	1,275	1,338
Minority interests	(82)	(48)	(52)	(52)	(57)
Extraordinary items	0	0	0	0	0
NET PROFIT	**6,190**	**4,015**	**4,253**	**4,618**	**5,376**
Normalized profit	**6,190**	**4,015**	**4,253**	**4,618**	**5,376**
EPS (Bt)	3.17	2.06	2.18	2.36	2.75
Normalized EPS (Bt)	3.17	2.06	2.18	2.36	2.75

SPALI is accumulating land for condo development

BALANCE SHEET

FY ending Dec (Bt m)	2024A	2025A	2026F	2027F	2028F
ASSETS:					
Current assets:	81,252	82,370	83,024	81,732	82,230
Cash & cash equivalent	5,123	3,788	3,788	3,788	3,788
Account receivables	111	48	51	51	57
Inventories	74,641	77,448	78,152	76,860	77,237
Others	1,376	1,086	1,033	1,033	1,148
Investments & loans	6,885	11,433	13,033	13,033	13,033
Net fixed assets	4,352	3,135	3,141	3,138	3,128
Other assets	3,743	2,347	2,501	2,502	2,781
Total assets	**96,231**	**99,285**	**101,699**	**100,405**	**101,172**
LIABILITIES:					
Current liabilities:	33,368	31,007	31,379	28,957	27,799
Account payables	3,693	3,075	3,356	3,301	3,604
Bank overdraft & ST loans	4,961	6,163	5,655	5,149	4,723
Current LT debt	21,295	19,083	19,227	17,505	16,057
Others current liabilities	3,419	2,686	3,140	3,002	3,414
Total LT debt	**7,931**	**12,742**	**12,818**	**11,670**	**10,705**
Others LT liabilities	712	750	800	800	889
Total liabilities	**42,011**	**44,499**	**44,996**	**41,427**	**39,393**
Minority interest	1,045	1,058	1,109	1,161	1,218
Preferreds shares	0	0	0	0	0
Paid-up capital	1,953	1,953	1,923	1,953	1,953
Share premium	1,499	1,499	1,499	1,499	1,499
Warrants	0	0	0	0	0
Surplus	(2,483)	(3,461)	(3,461)	(3,461)	(3,461)
Retained earnings	**52,207**	**53,737**	**55,632**	**57,826**	**60,570**
Shareholders' equity	53,176	53,728	55,593	57,817	60,561
Liabilities & equity	**96,231**	**99,285**	**101,699**	**100,405**	**101,172**

Sources: Company data, ttb wealth estimates

Positive free cash flows

Good dividend yields assuming a 55-57% payout ratio in 2026-28F

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2024A	2025A	2026F	2027F	2028F
Earnings before tax	7,543	4,390	4,121	4,527	5,461
Tax paid	(1,239)	(1,677)	(804)	(1,228)	(1,238)
Depreciation & amortization	203	213	195	202	210
Chg In w orking capital	(3,065)	(3,361)	(427)	1,237	(79)
Chg In other CA & CL / minorities	354	854	1,453	1,232	1,509
Cash flow from operations	**3,796**	**418**	**4,538**	**5,971**	**5,861**
Capex	(3,095)	1,003	(200)	(200)	(200)
Right of use	0	0	0	0	0
ST loans & investments	17	17	42	0	0
LT loans & investments	(4,409)	(4,548)	(1,600)	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	570	1,436	(105)	(0)	(190)
Cash flow from investments	**(6,917)**	**(2,092)**	**(1,863)**	**(200)**	**(390)**
Debt financing	7,022	3,801	(288)	(3,376)	(2,839)
Capital increase	0	0	(30)	30	0
Dividends paid	(2,636)	(2,701)	(2,358)	(2,424)	(2,632)
Warrants & other surplus	(853)	(762)	0	0	0
Cash flow from financing	**3,533**	**339**	**(2,676)**	**(5,771)**	**(5,471)**
Free cash flow	**701**	**1,421**	**4,338**	**5,771**	**5,661**

VALUATION

FY ending Dec	2024A	2025A	2026F	2027F	2028F
Normalized PE (x)	5.1	7.8	7.4	6.8	5.8
Normalized PE - at target price (x)	6.6	10.2	9.6	8.9	7.6
PE (x)	5.1	7.8	7.4	6.8	5.8
PE - at target price (x)	6.6	10.2	9.6	8.9	7.6
EV/EBITDA (x)	7.9	14.0	15.3	13.4	10.7
EV/EBITDA - at target price (x)	9.1	16.1	17.6	15.5	12.5
P/BV (x)	0.6	0.6	0.6	0.5	0.5
P/BV - at target price (x)	0.8	0.8	0.7	0.7	0.7
P/CFO (x)	8.3	75.2	6.9	5.3	5.4
Price/sales (x)	1.0	1.3	1.2	1.2	1.1
Dividend yield (%)	9.0	7.5	7.7	8.4	9.4
FCF Yield (%)	2.2	4.5	13.8	18.4	18.0
(Bt)					
Normalized EPS	3.17	2.06	2.18	2.36	2.75
EPS	3.17	2.06	2.18	2.36	2.75
DPS	1.45	1.21	1.24	1.35	1.51
BV/share	27.23	27.51	28.46	29.60	31.01
CFO/share	1.94	0.21	2.32	3.06	3.00
FCF/share	0.36	0.73	2.22	2.95	2.90

Sources: Company data, ttb wealth estimates

A highly profitable developer with low gearing

FINANCIAL RATIOS

FY ending Dec	2024A	2025A	2026F	2027F	2028F
Growth Rate					
Sales (%)	0.1	(22.7)	6.6	0.0	11.2
Net profit (%)	3.3	(35.1)	5.9	8.6	16.4
EPS (%)	3.3	(35.1)	5.9	8.6	16.4
Normalized profit (%)	3.3	(35.1)	5.9	8.6	16.4
Normalized EPS (%)	3.3	(35.1)	5.9	8.6	16.4
Dividend payout ratio (%)	45.8	58.7	57.0	57.0	55.0
Operating performance					
Gross margin (%)	37.7	34.3	31.9	33.1	34.3
Operating margin (%)	23.9	18.5	15.8	17.2	18.6
EBITDA margin (%)	24.6	19.4	16.6	18.0	19.3
Net margin (%)	18.8	13.8	12.0	13.2	14.3
D/E (incl. minor) (x)	0.6	0.7	0.7	0.6	0.5
Net D/E (incl. minor) (x)	0.5	0.6	0.6	0.5	0.4
Interest coverage - EBIT (x)	10.5	6.2	6.8	8.2	10.8
Interest coverage - EBITDA (x)	10.8	6.5	7.1	8.6	11.2
ROA - using norm profit (%)	6.8	4.1	4.2	4.6	5.3
ROE - using norm profit (%)	11.9	7.5	7.8	8.1	9.1
DuPont					
ROE - using after tax profit (%)	11.3	6.2	5.7	6.0	6.9
- asset turnover (x)	0.3	0.2	0.3	0.3	0.3
- operating margin (%)	26.5	21.2	18.4	19.7	20.8
- leverage (x)	1.8	1.8	1.8	1.8	1.7
- interest burden (%)	91.4	85.8	87.3	89.3	91.7
- tax burden (%)	77.9	75.9	75.0	75.0	75.0
WACC (%)	10.1	10.1	10.1	10.1	10.1
ROIC (%)	8.0	4.1	3.5	3.7	4.5
NOPAT (Bt m)	5,814	3,391	3,054	3,315	3,980
invested capital (Bt m)	82,239	87,928	89,505	88,353	88,258

Sources: Company data, ttb wealth estimates

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Score range	Description
CCC - B	**LAGGARD:** A company lagging its industry based on its high exposure and failure to manage significant ESG risks
BB - BBB - A	**AVERAGE :** A company with a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers
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For sectors, an "Overweight" sector weighting is used when we have BUYs on majority of the stocks under our coverage by market cap. "Underweight" is used when we have SELLs on majority of the stocks we cover by market cap. "Neutral" is used when there are relatively equal weightings of BUYs and SELLs.

ttb wealth securities public company limited.

Research Team
18 Floor, MBK Tower
444 Phayathai Road, Pathumwan Road, Bangkok 10330
Tel: 662 - 779-9119
Email: research@ttbwealth.co.th

Pimpaka Nichgaroon, CFA
Head of Research, Strategy
pimpaka.nic@ttbwealth.co.th

Nuttapop Prasitsuksant
Food & Beverage, Telecom, Utilities
nuttapop.pra@ttbwealth.co.th

Rawisara Suwanumphai
Bank, Finance
rawisara.suw@ttbwealth.co.th

Yupapan Polpornprasert
Energy, Petrochemical
yupapan.pol@ttbwealth.co.th

Sittichet Rungrassameephat
Analyst, Retail Market Strategy
sittichet.run@ttbwealth.co.th

Adisak Phupiphathirungul, CFA
Retail Market Strategy
adisak.phu@ttbwealth.co.th

Pattadol Bunnak
Electronics, Retail, Shipping
pattadol.bun@ttbwealth.co.th

Saksid Phadthananarak
Construction, Transportation
saksid.pha@ttbwealth.co.th

Chod Reankittiwat, CFA
Assistant Analyst
chod.rea@ttbwealth.co.th

Thaloengsak Kucharoenpaisan
Analyst, Retail Market Strategy
thaloengsak.kuc@ttbwealth.co.th

Pattarawan Wangmingmat
Senior Technical Analyst
pattarawan.wan@ttbwealth.co.th

Rata Limsuthiwanpoom
Auto, Industrial Estate, Media, Property, REITs
rata.lim@ttbwealth.co.th

Siriporn Arunothai
Small Cap, Healthcare, Hotel
siriporn.aru@ttbwealth.co.th

Nariporn Klangpremchitt, CISA
Analyst, Retail Market Strategy
nariporn.kla@ttbwealth.co.th

Witchanan Tambamroong
Technical Analyst
witchanan.tam@ttbwealth.co.th